8534873/2024/BUILDINGS-TRB01

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

R & B Department - Buildings – Permission to the Committee of Chief Engineers to examine the applicability of price escalation clause in each of the 18 projects of Judicial Building works as per G.O.Ms.No.94, T,R&B Department, dt:16.04.2008 and G.O.Ms.No.35, T,R&B Department, dt:30.01.2009, and to make necessary recommendations to the Secretary, Transport, Roads & Buildings Department - Orders - Issued.

TRANSPORT ROADS & BUILDINGS (B) DEPARTMENT

G.O.Rt.No.52 Dated.01 .02.2024

Read the following:-

1. G.O. Ms. No. 58, Home (Courts –B) Department, Dated:12.04.2017.
2. From the Chief Engineer (R&B) Buildings RSW Vijayawada, Lr.No. Price Escalation/Court bldgs./EE(B)/DEE(4)/AEE3/2022, Dt:30.11.2022.
3. Govt., Memo No.1933029-RDBS0BMIS(RBLD)/5/2022-BLDGS, Dt.29.12.2022.
4. From the CE (R&B) Buildings, Lr. No. Price Escalation /Court/EE (B)/DEE4/AEE3/2022, Dt:18-01-2023.

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ORDER:

1. In the reference 1st read above, Government have accorded administrative sanction for an amount of Rs.115,28,20,000/- for construction of 18 Nos of Court Buildings/residential quarters. Subsequently, as per the recommendations of Buildings Committee meetings convened by the Hon'ble High Court of A.P, the price escalation clauses were removed from the tenders for above works for the purpose of quick execution.

2. In the reference 2nd read above, the Chief Engineer (R&B) Buildings while informing the details of Major Judicial Buildings Works in State, basing on the plea of Contractors for incorporating the clause of price adjustment/escalation in their Agreements due to hiking of all materials rates in view of the Covid pandemic, has requested the Government to allow the price escalation clause in their work agreements, as per G.O.Ms.No.94, T,R&B Department, dt.16.04.2008 and G.O. Ms No.35, T,R&B Department, dt.30.01.2009.

(P.T.O)

3. Certain contractors have filed Writ Petitions and WP (PIL) No.258 of 2021 to allow the price escalation clause in their agreements of Judicial building works, as they were facing financial constraints in completion of the work due to covid pandemic.

4. In the reference 3rd read above, the Chief Engineer (R&B) Buildings, A.P. was requested to place the said request before the Committee of Chief Engineers (COCE) for examination and recommending necessary action.

5. In the reference 4th read above, the Chief Engineer (R&B) Buildings has stated that the Committee of Chief Engineers of R&B have opined that the issue of applying price escalation may be considered by the Government favorably considering the special circumstances such as COVID-19.

6. Government after careful examination of the above issues, hereby permit the Committee of Chief Engineers to examine the applicability of price escalation clause in each of the 18 projects of Judicial Building works as per G.O. Ms. No.94, T,R&B Department, dt:16.04.2008 and G.O. Ms. No.35, T,R&B Department, dt:30.01.2009, duly ascertaining whether the delay was caused due to covid pandemic or not and then make necessary recommendations to the Secretary, Transport, Roads & Buildings regarding applicability of price escalation in each case and the Secretary, Transport, Roads & Buildings shall pass orders as deemed fit in each case.

7. The orders in this G.O. are being issued in exceptional circumstances & shall not be quoted as a precedent in other cases, neither now nor in the future.

8. The Chief Engineer (R&B), RSW & Buildings, Vijayawada shall take necessary action accordingly.

9. This order issued with the concurrence of Finance Department vide their Fin UO.No.FIN01-FMUOMRAS(TRBD)/18/2023-FMU-TR-B, 1974995 (1933029), Dated.31.01.2024.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

PRADYUMNA PS
SECRETARY TO GOVERNMENT

To
The Chief Engineer (R&B), RSW & Buildings, A.P., Vijayawada.

Contd...3

Copy to :
The General Administration (Cabinet) Department.
The Finance (FMU.TR&B) Department.
The Law Department.
The Accountant General, A.P., Vijayawada.
The Pay & Accounts Officer, Vijayawada.
The PS to Minister (R&B).
The PS to Secretary, TR&B Department.
SF/SC.

//FORWARDED:: BY ORDER//

BSlatha
SECTION OFFICER